

1                   Portfolio Theory Method of Managing Operational Risk  
2                   with Respect to Network Service-level Agreements

3                   Abstract of the Invention

4   A method for managing operational risk and return with respect to a  
5   portfolio of service-level agreements is provided, wherein the method  
6   uses a noncompliance risk measure to calculate risk; and wherein,  
7   principals of portfolio theory are applied to characterize the portfolio for  
8   comparison with other possible portfolios.